

DRAFT

TOWN OF PELHAM
BUDGET COMMITTEE – MEETING MINUTES
Thursday, January 12, 2023

CALL TO ORDER – Ms. Bressette opened the meeting at approximately 6:39 PM.

PLEDGE OF ALLEGIANCE

Ms. Bressette called attendance:

PRESENT: Meg Bressette
Jason Croteau
Philip Haberlen
Eduardo Martony
Garret Abare
Greg Smith
Megan Larson
Bob Sherman
Ellen Cormier

ABSENT: Paul Grant (excused)
Debbie Ryan (excused)

Ms. Bressette said tonight’s meeting is for reconsideration. This is only for new items of information that come before us from the school and the town that we haven’t seen yet. She said tonight we will be seeing decreases for both. She said this is not the deliberative session and that will be in February. She said that is when the people from the town can come and ask questions, vote and have a chance to speak. That is not what tonight is. Tonight’s meeting has been noticed as a public hearing and therefore she opened the meeting to the public for any comment. She said she will be limiting this time to two minutes per speaker. Mr. Smith said the town deliberative session date is February 7th at 7:00 pm. Ms. Bressette said the school deliberative session is the next day at 7:00 pm.

Mr. Sherman said at those sessions, members of the public have the chance to make amendments to any of the budgets that are presented.

Ms. Lori Safford of 49 Old Gage Hill Road introduced herself. She thanked the committee for their service to the town. She is concerned about inflation, high taxes, and the town and school budget. She’s been in Pelham for 18 years. She said she has two sons who are both disabled. (Her letter is attached to these minutes).

Ms. Debbie Kruzel of 76 Beacon Hill Road introduced herself. She asked the committee if everyone could say their names and their roles within the town. Ms. Bressette said all of that is public information and can be found on our website. Ms. Bressette said at a public hearing we are not required to speak.

51 **MINUTES REVIEW:**

52

53 There were no changes to the November 10, 2022 meeting minutes.

54

55 **MOTION:** (Mr. Sherman/Mr. Abare) To place the minutes on file as written.

56 **VOTE:** (9-0-0) The motion passed.

57

58 **REVIEW OF THE SCHOOL BUDGET AND WARRANT ARTICLES**

59

60 Dr. McGee said they would talk about what the board has done in terms of the reconsideration.

61 Ms. Mahoney said she sent a memo to the committee explaining the school board's recommendation, which
62 was a reduction of \$61,162.00. There was a relook at their future expenses for the supply costs for natural
63 gas, electricity and propane. They reached out to their consultant to look at beyond the contract in place
64 until October and November. For the rest of the year, they are using that future market to calculate. After
65 they relooked at it, they had some reductions. She said they will go out to bid to secure those rates.

66 The total reductions are as follows:

67 Natural gas \$19,256.00

68 Electricity \$42,760.00

69 Propane (there was a reduction in the rate, but there was an error in the budget). The propane line has an
70 increase of \$1,881.00.

71 The other piece is related to the 2-hour custodial position that was recommended and approved by this
72 committee to reduce. The benefits were missed at that time and the board recommended those cuts as well
73 and that was an additional reduction of \$1,027.00.

74 The total reduction is \$61,162.00 and that is for consideration by the budget committee.

75

76 **MOTION:** (Mr. Sherman/Mr. Smith) To accept the reductions to the school budget for 2023-2024 by
77 \$61,162.00.

78

79 **ROLL CALL VOTE:** Ms. Larson - YES
80 Mr. Martony - YES
81 Ms. Cormier - YES
82 Mr. Sherman - YES
83 Mr. Smith - YES
84 Mr. Abare - YES
85 Mr. Croteau - YES
86 Mr. Haberlen - YES
87 Ms. Bressette - YES

88

89 (9-0-0) The motion passed.

90

91 Ms. Mahoney said their default budget is in the packet and that is a disclosure document provided to the
92 committee to identify the lines associated with the default number, which is a school board responsibility
93 to calculate that number. This details the reductions are based on required law, contracts or previously
94 agreed to collective bargaining agreements. Those items are listed there in the default budget and that
95 number is \$39,867,305.00. That's what is reflected on the warrant article that is in the packet.

96

97 Mr. Abare asked if the town voted on the proposed school budget? Ms. Bressette said it was
98 \$40,965,693.00. Mr. Abare asked if that would be reduced to (Ms. Bressette said \$39,867,305.00).

99 Ms. Mahoney said the default number is \$39,867,305.00.

100 Mr. Sherman asked if the old default number was reduced?

101 Ms. Mahoney said the most recent adjustment to the default number was to reduce the benefits associated
102 with that eliminated position. Ms. Mahoney said the general fund is \$40,988,00.00.

103 The food service fund is reduced by \$4,200.00 because there was a one-time software implementation cost
104 there. The total of those two things is \$45,188,00.00

105 Dr. McGee said to keep in mind that the adjustment is to this year's budget. He said that's what we would
106 get if the town voted no in March to this.

107 Ms. Mahoney said this year's approved budget is \$39,912,493.00.

108 Mr. Abare asked what was the proposed budget was for 2023-24? Ms. Mahoney said \$40,965,693.00.

109 Mr. Abare said if the town veto's this, it would be a reduction of about a million dollars? Ms. Mahoney
110 said yes, that's the difference.

111 Dr. McGee said he would adjust the word 'veto' to vote, so people know it's the town vote.

112 Ms. Mahoney said both of those are reflected in Article 2 and that will be explained at the deliberative
113 session.

114 Dr. McGee said that's where you can compare that in the Articles, whether you vote yes or no, and how
115 you have to have that default budget number if there is a 'no' vote.

116 Ms. Bressette said we have already voted on Article 3 in the last meeting, which was the PESPA agreement
117 and that was an 11-0-0 vote.

118

119 Ms. Bressette read Article 2:

120 Shall the Pelham School District raise and appropriate as an operating budget, not including appropriations
121 by special warrant articles and other appropriations voted separately the amount set forth on the budget
122 posted with the warrant or as amended by the vote of the first session of the annual school district meeting
123 for the purposes set forth herein totaling \$40,965,693.00. Should this article be defeated, the default budget
124 shall be \$39,867,305.00. Which is the same as last year with certain adjustments required by previous
125 action of Pelham School district or by law or the Pelham School board may hold one special meeting in
126 accordance with RSA 40:13-10 and 16 to take up the issue of a revised operating budget only. Majority
127 vote required, recommended by the school board.

128

129 **MOTION:** (Mr. Sherman/Mr. Martony) To approve the warrant article as read.

130

131 **ROLL CALL VOTE:** Mr. Abare – YES
132 Mr. Croteau – YES
133 Ms. Larson - YES
134 Mr. Martony – YES
135 Ms. Cormier – YES
136 Mr. Sherman – YES
137 Mr. Smith – YES
138 Mr. Haberlen – YES
139 Ms. Bressette – YES

140

141 (9-0-0) The motion passed.

142

143

144 **RECONSIDERATION OF TOWN BUDGET AND WARRANT ARTICLES**

145

146 Ms. Penny said there were only two changes, which they've sent along. They were reductions in the police
147 budget, and they are found on lines 330-331. There was a reduction for the motorcycle amounting to
148 \$25,483.00. The second was for the rifles in the amount of \$5,500.00. The reductions were made because
149 the board voted to spend monies out of 2022 unspent appropriations. Ms. Bressette said those won't be on
150 the 2023 budget.

151 Ms. Penny said the total reduction for those is \$30,983.00.

152 Mr. Smith asked how much money the town was able to return? Ms. Penny said for the 12/31/2022 year
153 end, those invoices are still coming in, but there is a column in the spreadsheet showing year-to-date
154 activity. She said it's about 7% of the 2022 operating budget. The amount that is unspent today is about
155 1.4 million, but there are some large invoices due to come in (ex. the transfer station trailer for \$112,000.00).
156 they are about 2-3 weeks behind on invoice posting for utility bills. She said we might land around 1
157 million for unspent appropriations. She said she has given departments until the first week of February to
158 get their invoices in.

159 Ms. Bressette asked how much the trailer was? Ms. Penny said that was approved by the board and it was
160 \$111,875.00. Ms. Bressette said that will be taken off the CIP for next year. Mr. Croteau said yes.

161 Mr. Abare asked if they were 3-4 months behind in posting the invoices?

162 Ms. Penny said 2-3 weeks and it's not 'posting', it is that the invoices haven't come in yet.

163 Mr. Sherman asked what money was taken out of the state reserve funds to help lower this year's taxes?

164 Ms. Penny said for the town's reserve, the board voted to use \$500,000.00 to offset the tax rate earlier this
165 year of the unassigned fund. She said \$100,000.00 was also used because it was voted in as being used and
166 it was an offset to an article. So, all in all, \$600,000.00 was used to offset the tax rate.

167 Mr. Sherman said looking ahead, could we have 1 million dollars to be used to reduce next year's tax rate?

168 Ms. Penny said that would have to be voted on. Mr. Sherman said that's the Selectmen's decision.

169 Ms. Penny said we may land around 11% of our obligations, when the goal is to be 17% and it's up the
170 board to decide what they want to use to offset the tax rate when that time comes. She said we won't know
171 until we go through the audit what is unspent.

172 Mr. Smith said we should be diligent to return as much money as possible given times are tough for many
173 people. He said we want to send the right message to the taxpayers that we are trying to save money.

174 Mr. Croteau said he believes the board this year was as fiscally responsible as we could be, and we are
175 conscious of the current economy. He said retuning money into the fund balance is extremely important to
176 them. Ms. Bressette said she also felt as though that was all taken into consideration by this board by not
177 putting big-ticket items on.

178
179 **MOTION:** (Mr. Sherman/Mr. Martony) Town budget for 2023 be decreased by \$30,983.00.
180

181 **ROLL CALL VOTE:** Ms. Larson - YES
182 Mr. Martony - YES
183 Ms. Cormier - YES
184 Mr. Sherman - YES
185 Mr. Smith - YES
186 Mr. Abare - YES
187 Mr. Croteau - YES
188 Mr. Haberlen - YES
189 Ms. Bressette - YES

190
191 (9-0-0) The motion passed.
192

193 Ms. Penny said the bottom line for the operating budget article is \$21,178,495.00. She said she supplied
194 the default calculation to the board. She said you take last year's budget, and you adjust and reduce for
195 appropriations or add for obligations. She said the board voted on this last week.

196
197 Ms. Bressette read:

198 Shall the town vote to raise and appropriate as an operating budget, not including appropriations by special
199 warrant articles and other appropriations voted separately, the amount set forth on the budget posted with
200 the warrant recommended by vote at the first session.

201 For the purposes set forth herein totaling \$21,178,495.00. Should this article be defeated, the default budget
202 shall be \$19,943,897.00. Which is the same as last year with certain adjustments required by previous

203 action of the town or by law or the governing body may hold one special meeting in accordance with RSA
204 430:10 and 16 to take up the issue of a revised operating budget only. Recommended by the Selectmen.
205 The Selectmen 2023 approved budget is \$21,239,477.00. The budget committee approved is
206 \$21,178,495.00.

207

208 **MOTION:** (Mr. Sherman/Mr. Martony) To approve the article as read.

209

210 **ROLL CALL VOTE:** Mr. Croteau – YES

211 Ms. Larson - YES

212 Ms. Cormier – YES

213 Mr. Sherman – YES

214 Mr. Smith – YES

215 Mr. Abare-YES

216 Mr. Martony – YES

217 Mr. Haberlen – YES

218 Ms. Bressette – YES

219

220 (9-0-0) The motion passed.

221

222 **ASSESSING – SOLAR WARRANT ARTICLE**

223 Shall the Town of Pelham vote to modify the current solar energy exemption pursuant to RSA 72:62 up to
224 100% of the assessed value of the qualifying equipment as defined in RSA 72:61. 72:61 Definition of Solar
225 Energy Systems

226 I. For purposes of an exemption under RSA 72:62 adopted before January 1, 2020, in this
227 subdivision “solar energy system” means a system which utilizes solar energy to heat or cool
228 the interior of a building or to heat water for use in a building and which includes one or more
229 collectors and a storage container. “Solar energy system” also means a system which provides
230 electricity for a building using photovoltaic panels.

231 II. In a municipality that adopts or re-adopts the exemption under RSA 72:62 on or after January
232 1, 2020, “solar energy system” means, in addition to the definition in paragraph I, a system
233 which utilizes solar energy to produce electricity for a building and includes all photovoltaics,
234 inverters, and storage. Systems may be off grid or connected to the grid in a net metered or
235 group net metered arrangement pursuant to RSA 362-A:9 or in a direct retail sale arrangement
236 pursuant to RSA 362-A:2-a.

237 72:62 Exemption for Solar Energy Systems – Each city and town may adopt under RSA 72:27-
238 a, an exemption from the assessed value, for property tax purposes, for persons owning real
239 property which is equipped with a solar energy system as defined in RSA 72:61.

240 Until last year we had not assessed residential solar arrays. The Board of Tax and Land Appeals
241 (BTLA) has determined that solar arrays on residential properties add value and that assessors
242 should pick up that value. When they are assessed, it is \$1,500 per panel, adding sometimes
243 upwards of \$60,000+ to the value of a property. Our current exemption (adopted in 1982)
244 amount is \$10,000. Exemptions for Wind, Solar & Wood Energy were intended to be tax
245 neutral – neither increasing nor decreasing – taxes collected.

246 The following communities have exempted the total assessment: Milford, Goffstown, Nashua,
247 Exeter, Portsmouth, Farmington and Bedford.

248

249 BOS Supported (3) BOS Not Supported (2)

250

251 Ms. Larson asked if this was appropriating funds? She said she isn’t sure this committee needs to vote on
252 this. Ms. Bressette said we do vote on the elderly exemption. Ms. Larson said she thought if there was an
253 appropriation it was under the budget committee and if there’s not, we don’t vote on it.

254 Mr. Abare said he has no idea what this is saying.
255 Ms. Larson said they were not part of the discussions with this language, and she doesn't know what she is
256 even being asked to vote on.
257 Ms. Bressette said right now solar panels are not taxed. Ms. Snide said they are not being assessed right
258 now but moving forward they will be assessed. Ms. Bressette said if this passed, they would not be part of
259 the assessment. Ms. Snide said yes, they would receive an exemption, provided they apply for it, as
260 everyone has to apply for an exemption if they want it. Ms. Bressette said this is asking for a 100%
261 exemption, Ms. Snide said yes. Ms. Snide said the way it is now, if someone applies for a solar exemption,
262 it is only a \$10,000.00 exempted off, which is based on the 1982 number.
263 Mr. Abare asked if he will be taxed on his solar panels (that President Biden wanted him to put on his
264 house) and then apply for an exemption. Ms. Snide said he would get an extra \$16,500.00 on his
265 assessment; he would need to apply for an exemption for that \$16,500.00. Ms. Snide said there is a form
266 he'd have to fill out. Mr. Abare asked if that would be if this passed or doesn't pass? Ms. Snide said if this
267 doesn't pass, he will see a \$16,500.00 increase on his assessed value. Ms. Bressette said the wording can
268 be amended at the deliberative session.
269 Mr. Martony asked who came up with the \$1500.00 per panel? Ms. Snide said that was based on Marshall
270 and Swift, which is our foundation for establishing construction values.
271 Mr. Martony said that is outrageous. Mr. Smith agreed and said it should be half that.
272 Mr. Martony said there are people that lease solar panels, and will they be taxed also? Ms. Snide said yes.
273 Mr. Abare said people that buy these panels are adding to the grid. Ms. Bressette said yes, if you are
274 producing more than you are using, it goes back to the grid and goes to the closest house next to you and
275 not pulling on the grid.
276 Ms. Bressette said she also has solar panels on her house. She said the original intent would be to make the
277 panels tax neutral, so you can support this and that there would be no assessment added.
278 Ms. Snide said the warrant article is only the first paragraph and everything else is the explanation.
279 Mr. Abare said he still doesn't understand the wording of this article and thinks most people won't either
280 and then vote no.
281 Ms. Bressette said the Selectmen will put out a voter's guide for explanation purposes and give more
282 information. At deliberative session, people can ask questions on the articles also.
283 Mr. Smith said he'd like to know who voted yes or no and what that discussion was. Ms. Snide doesn't
284 know. Mr. Smith asked who is guiding her to start assessing next year? Ms. Snide said it is the NH Board
285 of Tax and Land Appeals. She said if anyone disagrees with that decision, you then go to the appellate
286 authority, either the superior court or the Board of tax and land appeals. That board has determined that
287 solar panels add value to a home and told the NH assessors that they need to start being assessed.
288 Mr. Martony said they are not always of value, when the panels are at the end of life (after 15-20 years),
289 you have to pay to have them properly disposed of. Ms. Snide said they would be taken off the property at
290 that point.
291 Mr. Croteau said the Selectmen's opposition to this vote was the two that said no, was because if someone
292 put a 30-acre solar farm in and that's what they used the land for and they made money doing that. That
293 was considered a business, so that was the reason for their opposition. Ms. Snide said a solar generating
294 facility like that has a separate legislation and rules they have to follow, and this would not follow that.
295 Mr. Croteau said that's how he understood their votes. He said the wording can be changed at the
296 deliberative session and it can be voted on as a board. He said right now it is up to \$10,000.00 and the state
297 is telling us we have to do this. The intent of this is to give an exemption to people that are giving back to
298 the grid, and he feels the language may need some fixing.
299 Ms. Bressette reminded this group that all of them should be at the deliberative session.
300 Ms. Larson said in the 2022 voter's guide and the budget committee did not have a recommendation on the
301 elderly exemption. She doesn't think this should be voted on, only if there is an appropriation is her
302 understanding unless something has changed? She said we are not appropriating money and we are being
303 asked to vote on language.

304 Ms. Bressette asked if we needed the vote tonight or could it be after deliberative session? She said she
305 will ask the town attorney.

306 Ms. Larson said we can vote on it, but she doesn't want to see it hurt either way. She said she wasn't part
307 of the discussion, so her vote would be to abstain.

308 Ms. Penny said tomorrow she will go into the DRA portal (for their preapproval) and will be putting all of
309 the articles in and the results from tonight. She said she has statutory requirements to post these as well as
310 the voter's guide. She thinks the vote needs to be tonight.

311 Ms. Bressette said the voter's guide goes out after the deliberative session because things can change at that
312 session.

313 Ms. Penny said there are certain types of recommended language that needs to be followed for certain
314 articles.

315 Mr. Sherman said he thinks the intent is to encourage people to put up solar panels and not to have your
316 taxes affected. He said we need to find out the differences between solar panels that are leased versus
317 ones that are owned. Ms. Snide asked what the difference was other than a financial difference and it will
318 still impact the property. Mr. Martony said it's an ownership difference. Ms. Snide said they are looking
319 at the value of the property. Mr. Sherman asked if they would have two difference standards?

320 Ms. Snide said she wasn't given that guidance, she only was told to assess them.

321 Mr. Sherman said this is worded as of January 1, 2020, so he said anyone out there since 2020, they would
322 be entitled to a tax rebate if they didn't put in for this?

323 Ms. Snide said between 2019 and 2020 the definition of solar energy was changed, and it was added to.
324 She thinks they were trying to include prior adopted solar exemptions to be included in the new process.

325 Mr. Sherman asked about the dates and asked when does this become effective if it gets approved? Ms.
326 Snide said April 1, 2023.

327 Mr. Haberlen asked what the intent of this is, is it we are trying to get people to be more carbon friendly or
328 reduce the load on the electric utilities. Ms. Snide said her thought was to keep it tax neutral. She said they
329 get a lot of permits for solar systems coming through and these people are going to get hit with larger tax
330 assessment increase. They can only apply now for \$10,000.00 with the current exemption. Her suggestion
331 would be to make the exemption 100% so they won't get an increase. Ms. Bressette said that amount is
332 based on a 1982 exemption. Ms. Snide said that could be amended at the deliberative session. Mr. Abare
333 said we can modify the text at the deliberative session. Ms. Bressette asked if anyone that has gotten permits
334 for solar, have they been told about this new tax possibility? Ms. Snide said she didn't know, as they don't
335 come to her for permits.

336 Mr. Haberlen said people increase their home values and pay more taxes and don't get exemptions for those
337 improvements. He asked why would this improvement be exempted? Ms. Snide said she believed the
338 original intent of the legislation was to provide the opportunity to become more carbon neutral. She said
339 they had the same thing for wood energy.

340 Mr. Croteau said he supported this for green energy and carbon footprint.

341 Ms. Larson said the only article she would think we would vote on would be the highway block grant. She
342 said this committee did not vote the tax exemption in 2020.

343 Ms. Bressette asked Mr. Sherman if he knew why? Mr. Sherman said they have voted on the elderly
344 exemption a number of times. Ms. Larson said it seems we've been inconsistent.

345 Mr. Croteau said his understanding that we vote on this because we've changed the allowance for it, for the
346 elderly exemptions.

347 Mr. Sherman said for the elderly exemptions, if we change the rates and incomes, that comes before us, it
348 remains on the books.

349 Mr. Croteau said that is why this is here, because it is changing. He said he believes this should be before
350 this board for a vote (for the elderly exemption). He said the chair can also make that call as well.

351 Ms. Bressette said she will check with the town attorney. She asked if we could vote on these after
352 deliberative session?

353 Mr. Sherman said he didn't think that was fair to the voters. He would say we are voting on this, subject
354 to legal approval.

355 Ms. Penny said she can choose to exclude it if it's not necessary.
356 Ms. Bressette said we can vote on it and then she will check with our Attorney and if the wording changes
357 at deliberative session then we would have a meeting and we would vote again, whether or not to approve,
358 disapprove or abstain on that article. That is for the final ballot.
359 Mr. Smith said it would seem that some of us would be more impacted than others and thought some of us
360 need to abstain from voting. Mr. Abare asked why he would abstain. Ms. Larson said people don't have
361 to abstain, it is their choice to or not.
362 Ms. Bressette said for the solar warrant article, we will vote, she will check with our Attorney and will get
363 back to the board. She said we will vote on the exemptions tonight.

364
365 **SOLAR WARRANT ARTICLE**

366 **ROLL CALL VOTE:**

367 Ms. Larson – Abstain
368 Mr. Martony – YES
369 Ms. Cormier – Abstain
370 Mr. Sherman – YES (with re-wording done)
371 Mr. Smith - YES
372 Mr. Abare – Abstain
373 Mr. Croteau – YES
374 Mr. Haberlen – YES
375 Ms. Bressette – YES

376
377 (6-0-3) The motion passed.
378
379

380 **ASSESSING – For Increasing the Elderly Exemption Amount and Qualifying Income**

381 Shall the Town vote pursuant to RSA 72:39-a and 72:39-b to modify the current Elderly Exemption and
382 Income limits from property tax in the Town of Pelham for qualified taxpayers as follows:

383 For persons aged 65 to include 74 years of age: \$114,000

384 For persons aged 75 to including 79 years of age: \$164,000

385 For persons 80 years and above: \$212,000

386 In addition, a qualified taxpayer must have an annual net income of not more than \$48,000 if single and not
387 more than a combined net income of \$58,000 if married and own assets (excluding the value of the person's
388 residence) not more than \$250,000.

389 These increases are based on the 8.2% inflation rate between 2021-2022.

390 2022 Exemption amounts are:

391 65 to 74 \$106,000

392 75 to 79 \$152,000

393 80+ \$196,000

394 Income limits

395 Single \$44,000

396 Married \$54,000

397 Net Assets: \$250,000

398
399 BOS Supported (5) BOS Not Supported (0)

400
401 Ms. Snide said the intent of this exemptions is to allow elderly adults that are on fixed incomes, to remain
402 in their homes as long as they can. The increases that were proposed was to match the inflation rate, which
403 came to 8.2% to get this warrant article out.

404 Mr. Smith said that inflation matched what he found and said Ms. Snide should add a footnote to show the
405 source of that number.

406 Ms. Bressette asked if there was an increase last year? Ms. Snide said yes.
407 Mr. Smith asked how she verifies the assets? Ms. Snide said they do the best they can with 1099's and all
408 the other information the applicant provides, such as bank statements, tax returns and signed affidavits.
409 Ms. Bressette asked how many people in town fall under this? Ms. Snide said approximately 40 and that
410 is pretty consistent since she's been here.
411 Ms. Cormier asked if there are more people eligible that haven't filled out an application? Ms. Snide said
412 she suspects so, but doesn't know for sure.

413
414 **ROLL CALL VOTE:**

415 Mr. Croteau – YES
416 Mr. Abare - YES
417 Mr. Smith - YES
418 Mr. Sherman - YES
419 Ms. Cormier - YES
420 Mr. Martony- YES
421 Ms. Larson - YES
422 Mr. Haberlen - YES
423 Ms. Bressette - YES

424
425 (9-0-0) The motion passed.
426

427
428 **ASSESSING – BLIND EXEMPTION**

429 Shall the Town vote to modify the current blind exemption per RSA 72:37 from \$15,000 to \$57,000?
430 Most towns have left the exemption minimum prescribed by the state (\$15,000) allowing for amendment
431 when the community decides to do so. Our current blind exemption was adopted in 1982. The cost of
432 living has clearly increased since 1982.
433 The blind exemption is not an income means test: however, the person must be certified by the State
434 Department of Education to be eligible for the exemption. The following list of communities have increased
435 the exemption amount as of 2021. I used those most like Pelham and in our region. We have a high cost
436 of living here in the southern tier.

437
438 BOS Supported (5) BOS Not Supported (0)
439

440 Ms. Snide said this exemption said the state legislation allows for \$15,000 and that is the minimum. People
441 have to be certified by the State for this to qualify. Once we have the certification and application then the
442 board can say yes, they can have the exemption.
443 Ms. Larson asked if that was the law? Ms. Snide said yes.
444 Mr. Smith asked if two people own a property and one person is certified blind, then does the exemption
445 apply? Ms. Snide said yes and it has to be an owner of the property.
446 Ms. Bressette asked how many people this would apply to? Ms. Snide said about 10.

447
448 **ROLL CALL VOTE:**

449 Ms. Larson - YES
450 Mr. Martony - YES
451 Ms. Cormier - YES
452 Mr. Sherman - YES
453 Mr. Smith - YES
454 Mr. Abare - YES
455 Mr. Croteau - YES
456 Mr. Haberlen - YES

457 Ms. Bressette – YES

458

459 (9-0-0) The motion passed.

460

461 **ASSESSING – Re-Adopt the Optional Veterans’ Tax Credit (RSA 72:28, II)**

462 Shall the Town of Pelham re-adopt the Optional Veterans’ Tax Credit of \$500 pursuant to RSA 72:28, II,
463 to include individuals who have not yet been discharged from service in the armed forces?

464 If readopted, per NH DRA, the credit will remain in place for the 2023 tax year. If not, the credit will revert
465 to the \$50 as mandated by RSA 72:28-I and include individuals who have not yet been discharged from
466 serviced in the armed forces.

467 BOS Supported (5) BOS Not Supported (0)

468

469 Ms. Larson said tax credits are different than exemptions. Ms. Snide said correct, tax credits come off of
470 the actual tax bill. Back in 2004, the town voted to award regular veterans \$500.00 credit for their service.
471 Since then, the state legislature has amended this RSA to include members of service that are still on ‘active
472 duty’. She said in the process of amending this RSA to include active duty, it forces us to readopt the
473 existing \$500 exemption. If we don’t readopt this, it reverts to the standard \$50 and still with active-duty
474 personnel.

475 Ms. Bressette said they get \$500 taken off their tax bill off the top? Ms. Snide said yes. Ms. Bressette said
476 that tax money has to be paid by the other tax payers who don’t fall under this tax credit. She said with
477 those tax credits, it’s about a quarter of a million dollars for the other tax payers to make up for that, if those
478 credits are taken by the veterans? Ms. Snide said yes.

479 Ms. Larson asked if there is currently a veterans’ tax credit? Ms. Snide said yes. Ms. Larson said if this
480 didn’t pass, would it revert to \$50? Ms. Snide said yes.

481 Ms. Larson said the word ‘re-adopt’ makes it sound like it’s not in existence already. Ms. Snide said she
482 can’t change that. Ms. Larson said the towns needs to explain that to be clear to voters.

483 Mr. Sherman said it needs to be clearer in the voter’s guide, that the current, retired veterans would lose
484 this? Ms. Snide said yes, those current veterans would go from \$500 to \$50.

485 Ms. Sherman said this only goes to the owners? Ms. Snide said yes.

486 Ms. Sherman asked about widows? Ms. Snide said surviving spouses are also eligible.

487 Ms. Larson asked language was from the attorney? Ms. Snide believed so, yes.

488 Ms. Larson said to ask the attorney if the word ‘re-adopted’ should be the word to use?

489 Ms. Bressette asked what was the difference between this article and the article with RSA 72:28-b? Ms.
490 Snide said the regular veterans’ credit, 72:28 is for members of the military that served active duty during
491 combat with listed combat dates that qualify them. This one is for all veteran credit that served active duty,
492 but not during time of conflict.

493 Ms. Bressette asked if both get the \$500 credit now? Ms. Snide said 72:28-b requires whatever is adopted
494 under 72:28 has to be the same (so either \$500 or \$50).

495 Ms. Bressette said the annual town report has great information that shows the tax credits that are given and
496 the amounts and how many people are getting them.

497 Ms. Smith asked if these two are additive, so if a veteran was in combat, they get the \$500, but then you
498 have another group for all? Ms. Snide said there are two groups, but a veteran gets either one or the other,
499 but they don’t get both. Ms. Smith asked why have two? Ms. Snide said he’d have to ask the state.

500 Mr. Smith asked if this is validated? Ms. Snide said yes.

501 Mr. Haberen asked if the \$500 was a fixed amount, regardless of their income? Ms. Snide said yes.

502 Ms. Smith said this will be confusing to the voters.

503

504 **ROLL CALL VOTE:**

505 Mr. Croteau- YES

506 Ms. Larson – YES

507 Mr. Abare – YES

508 Mr. Martony – YES
509 Mr. Smith - YES
510 Ms. Cormier - YES
511 Mr. Sherman - YES
512 Mr. Haberlen – YES
513 Ms. Bressette - YES

514
515 (9-0-0) The motion passed.

516
517 Ms. Bressette said the second article is for RSA 72:28-b.

518
519 **ROLL CALL VOTE:**

520 Mr. Croteau - YES
521 Ms. Larson - YES
522 Mr. Abare - YES
523 Mr. Martony - YES
524 Mr. Smith - YES
525 Ms. Cormier - YES
526 Mr. Sherman - YES
527 Mr. Haberlen - YES
528 Ms. Bressette - YES

529
530 (9-0-0) The motion passed.

531
532
533 **POLICE COLLECTIVE BARGAINING AGREEMENT 2023-2027**

534 Shall the Town vote to approve the cost items included in the five (5) year Collective bargaining agreement
535 ratified by the Board of Selectmen and the Pelham Police, Local 3657 of the American Federation of State,
536 County and Municipal Employees which calls for the following increases in salaries and benefits and to
537 further raise and appropriate the sum of \$114,110 to fund, for the current fiscal year of this agreement, such
538 sum representing the additional costs attributable to the increase in salaries and benefits required by the
539 new agreement over those that would be paid at current staffing levels? This is a special warrant article.

540
541 BOS Supported (5) BOS Not Supported (0)

542
543 Mr. Smith asked if this was already ratified by the union? Ms. Bressette said she would think it would have
544 to be. Ms. Larson thought it was ratified and the Selectmen voted on it.
545 Mr. Croteau said that is correct.

546
547 **ROLL CALL VOTE:**

548 Ms. Larson - YES
549 Mr. Martony - YES
550 Ms. Cormier- YES
551 Mr. Sherman- YES
552 Mr. Smith- YES
553 Mr. Abare- YES
554 Mr. Croteau - YES
555 Mr. Haberlen- YES
556 Ms. Bressette - YES

557
558 (9-0-0) The motion passed.

559 **PROPOSED TAX EXEMPTION WARRANT ARTICLE**

560 Ms. Bressette said she will be asking our Attorney about this article as well.

561 Shall the Town of Pelham vote to adopt the provisions of RSA 72:81 and enable the town to grant tax
562 exemptions for new construction performed on commercial or industrial uses. The intent of the exemption
563 authority is to provide incentives to businesses to build, rebuild, modernize, or enlarge within the
564 municipality. The exemption shall apply only for municipal and local school property taxes assessed by
565 the municipality. The exemption will not apply to the entirety of the property value, but only to any increase
566 in assessment which results from the new construction. The period of time for which the property is eligible
567 for exemption is ten years.

568 The percentage of authorized exemption is as follows:

569 Year 1-5, 50% of the increased assessment value as described above

570 Year 6, 40% of the increased assessment value as described above

571 Year 5 and 7, 30% of the increased assessment value as described above

572 Year 7 and 8, 20% of the increased assessment value as described above

573 Year 9 and 10, 10% of the increased assessment value as described above

574 For purposes of this exemption, the term 'new construction' shall mean new structures, or additions,
575 renovations, or improvements to existing structures.

576 For purposes of this exemption, the term 'commercial' shall include retail, wholesale, service and similar
577 uses and the term 'industrial' shall mean manufacturing and heavy manufacturing, consumable
578 manufactured goods, lumberyard, timber activities, recycling facility (household wastes) veterinary and
579 large veterinary hospital and warehouse.

580 If adopted, the Warrant Article will become effective April 1, 2023 and will remain in effect for five (5)
581 years.

582 BOS Supported (3) BOS Not Supported (2)

583

584 Ms. Penny said this is a way to entice new construction that otherwise wouldn't come here. This is to raise
585 the tax base and reduce taxes. She said this would give businesses a tax break on the school and town
586 portion. At the end of the time period, the business will be taxed for the whole amount of the valuation
587 increase.

588 Mr. Smith asked if everyone that does this is eligible, or only if they are approved by the Selectmen?

589 Ms. Penny said she didn't take part in the development of this, but would think it would be an application
590 process and a set of rules, but she's not sure.

591 Mr. Smith said this is big and he has a lot of questions and doesn't feel equipped to vote on it.

592 Mr. Croteau said this is based solely on commercial and industrial zoned areas. He said some wording can
593 be changed to make it clearer. Mr. Smith asked if would be eligible for anyone who develops in an industrial
594 or commercial zone? Mr. Croteau said yes, and the intent is to bring business along Rt. 38 or an industrial
595 zone that is not a great tax impact to the community. He said there is some land on Rt. 38 now that hasn't
596 been developed, because there has been no reason for them to. Mr. Smith asked if this penalizes existing
597 developers?

598 Mr. Croteau said not in his opinion. He said for an example, if the Hannaford plaza was to remodel and
599 bring their value up, this would apply to them, as he understands it.

600 Ms. Penny said as a community we should be looking at ways to increase our revenue because costs are
601 going up. If we increase the amount of commercial valuation, we can offset the tax rate.

602 Mr. Smith said they should get this automatically as opposed to something that has to be applied for. He
603 said if this passes, then everybody that develops in a commercial or industrial area, this is the new tax rate.
604 He's asking if this would be an automatic thing?

605 Ms. Penny did not know the answer. Ms. Cormier said she is confused looking at the years and said there
606 are typos there.

607 Mr. Croteau said they would have to go to the assessor's office and apply for this.

608 Ms. Bressette asked if a business owner can say they made an improvement or do they have to go to
609 Planning? Mr. Croteau said it would be under a permit process.

610 Mr. Smith said he is okay if they've had an Attorney review this, but the typos needs to be fixed.
611 Mr. Croteau said our Attorney did look at all of this before tonight.
612 Mr. Sherman said the wording needs to say it only applies to commercial and industrial aeras and he said
613 this would encourage development along Rt. 38 by Hannaford plaza.
614 Mr. Haberlen asked if this exemption was proposed due to some economic research to see if this has helped
615 grow businesses?
616 Mr. Croteau said this was done with research with other communities and with legal, this article was drafted.
617 Mr. Croteau said yes, the intent and purpose did work.
618 Mr. Abare said in general practices, this does work.
619 Mr. Croteau said once you go through the 10-year cycle, they are at 100% valuation.
620 Mr. Sherman said you may want to have this reviewed by the chair of planning of the planning department.
621 Ms. Bressette said she is surprised this isn't a planning board article.

622

623 **HIGHWAY BLOCK GRANT WARRANT ARTICLE**

624 Shall the town vote to raise and appropriate the sum of \$343,671.00 for repair, maintenance, purchase of
625 equipment and upgrading of town roads, to be offset by the State Highway grant? This will be a non-
626 lapsing account per RSA 32:7, IV. No money to be raised by taxation.
627 The Selectmen still have to vote on this, but we can move forward with our vote on this.
628 Ms. Penny said this is a recurring article, we get money for it and we put it aside for road reconstruction in
629 a fund that carries forward.
630 Mr. Sherman asked if this would be the figure? Ms. Penny said it's an estimate, she took last year's figure
631 and added \$5,000.00 to it. this is the amount the town is allowed to carry forward for road construction,
632 repairs and equipment. If we receive any more it would go to offset the tax rate.

633

634 **ROLL CALL VOTE:**

635 Mr. Croteau – YES
636 Mr. Abare – YES
637 Mr. Smith– YES
638 Mr. Sherman– YES
639 Ms. Cormier- YES
640 Mr. Martony- YES
641 Ms. Larson– YES
642 Mr. Haberlen– YES
643 Ms. Bressette – YES

644

645 (9-0-0) The motion passed.

646

647 Mr. Jaie Bergeron said the proposed tax exemption warrant article was started by people talking about the
648 increased tax burden on residential houses. Himself and Mr. Roark went to other towns to see how they
649 can entice business to come to Pelham, as our business district has been very stagnant. He said they thought
650 this policy would work good for Pelham. He said if these businesses are willing to come here if they know
651 they will get something back within a few years. There is potential tax revenue that we may never get. he
652 said these businesses can come in and invest in the infrastructure. He said people should support this and
653 he thinks it would be good for the town.
654 Mr. Smith said the math paragraph is not right.
655 Mr. Bergeron said the format got messed up and it will be fixed. He said the business would apply at the
656 assessor's office and this is meant for the bigger businesses. He said this is over in five years and if no one
657 takes it, it may or may not be renewed. He said this way, it can be controlled.
658 Ms. Larson said it should say in there it is zoned for industrial and commercial to be clear up in the top.
659 Ms. Bressette asked if this was based on improvements that they have to get permits for? Mr. Bergeron
660 said yes and we are trying to make it worthwhile for them to come here.

661 Ms. Bressette said she is going to check with our attorney if budget committee should be voting on these
662 exempt warrant articles.

663 Mr. Sherman suggested this to be brought to planning to get their approval. Mr. Bergeron said yes.

664 Ms. Larson said the year's math needs to be amended, meaning at the end of the sentence where it starts
665 with year 6, you need to take out year 5 and, and the next sentence take out year 7 and at the end.

666 Mr. Smith said he is struggling to vote on this with the changes that need to be made.

667 Mr. Sherman said we can make changes like that as long as we leave the intent. Ms. Bressette said not
668 here, but that can be done at the deliberative session.

669 Ms. Larson said yes you can make the changes, because we are voting on the warrant article. She said
670 regarding the zoning word changes, that would have to be made at the deliberative session. Mr. Croteau
671 said yes.

672

673 **ROLL CALL VOTE:**

674 Ms. Larson – Abstain

675 Mr. Martony – YES

676 Ms. Cormier – YES

677 Mr. Sherman – YES (for only commercial and industrial zoned areas)

678 Mr. Smith – Abstain

679 Mr. Abare – Abstain

680 Mr. Croteau – YES

681 Mr. Haberlen - YES

682 Ms. Bressette - Abstain

683

684 (5-0-4) The motion passed.

685

686 Ms. Bressette said she will reach out to Attorney Ratigan to find out if our votes on the exemptions even
687 have to be on there or not. Ms. Penny said for the past couple of years they have been. Ms. Bressette said
688 last year the senior exemption was.

689

690 Ms. Bressette said pursuant to RSA 40:13 (whether this committee wants our tallies to be seen on warrant
691 articles). She said this is up to us whether we want to include them or not.

692 Mr. Abare asked if we are identified by name? Ms. Bressette said no.

693 Mr. Martony said if the Selectmen's tallies are going to be there then we should do the same.

694 Mr. Croteau said the Selectmen tallies will be on there for the purpose of transparency.

695 Mr. Smith said he believes it should be there as it's relevant. Mr. Martony said all the meetings are recorded,
696 so people can see who votes. Ms. Bressette said our meeting minutes are posted on our website also and it
697 is all public.

698 Ms. Larson said sometimes people don't educate themselves and they just go by the tallies. She said people
699 should read the voter's guide and ask people questions on voting day.

700 Mr. Sherman reminded people that after the school district meeting, if any changes are made, we have a
701 meeting and we get to review and vote again. He doesn't want the guide going up with the numbers tonight
702 because those could change. He said this is our budget that goes to the voters with our approval or
703 disapproval and we have the final input and say.

704 Ms. Bressette said the voter's guide does not go out until after deliberative session.

705 Mr. Smith asked when the next meeting was? Ms. Bressette said it is at deliberative session and everyone
706 is expected to be there.

707 Ms. Larson asked if there will be one or two meetings, on the 7th or 8th? Mr. Sherman said it should be the
708 one after the school district. Ms. Bressette said we would have our meeting on Wednesday, February 8th.
709 The deliberative is at 7:00 pm and we will meet after that.

710

711

712 **MOTION:** (Mr. Sherman/Mr. Smith) To show the budget committee tallies on our recommendations.
713

714 **ROLL CALL VOTE:** Mr. Croteau - YES
715 Mr. Abare- YES
716 Mr. Smith- YES
717 Mr. Sherman- YES
718 Ms. Cormier- YES
719 Mr. Martony- YES
720 Mr. Larson- NO
721 Mr. Haberlen- YES
722 Ms. Bressette - YES
723

724 (8-1-0) The motion passed.
725

726 Ms. Bressette reminded everyone they are expected to be at deliberative sessions and we will have a meeting
727 after the school deliberative session on February 8th, 2023.

728 Mr. Sherman said the end of January is sign-ups, if anyone is interested in signing up for any board
729 positions. He said there are three budget seats open, including his. Ms. Bressette said Mr. Haberlen and
730 Ms. Cormier's terms are also up this year.
731

732 **ADJOURNMENT**
733

734 **MOTION:** (Mr. Abare/Mr. Croteau) To adjourn the meeting at 8:43 pm.
735

736 **VOTE:** (9-0-0) The motion passed.
737

738 Respectfully submitted,
739 Jennifer Castles
740 Recording Secretary